CHAPTER 2: THE CHALLENGES OF CUSTOMER SERVICE

OUTLINE

I. Equipped for success.
   A. Unfortunately, customer service is not always easy to provide!
   B. Customer service providers must become familiar with the common barriers to customer service.

II. Barriers to excellent customer service:
   A. Laziness.
   B. Poor communications skills.
   C. Poor time management.
   D. Attitude.
   E. Moodiness.
   F. Lack of adequate training.
   G. Inability to handle stress.
   H. Insufficient authority.
   I. Serving customers on autopilot.
   J. Inadequate staffing.
   K. Customer service providers must perform periodic self-evaluations to determine their effectiveness and to determine the areas in need of improvement.

III. The power of perceptions:
   A. We must be aware of the perceptions of others.
   B. Perception is the way we see something based on our experience.
   C. Everyone’s perception is slightly different.
   D. Perceptions are developed over a period of time.

IV. Understanding expectations:
   A. Expectations are our personal vision of the result that will come from our experience.
   B. Expectations may be positive or negative.
   C. Organizations frequently misinterpret what their customers’ expectations are.

V. Levels of expectations:
   A. Primary expectations are the customers’ most basic requirements of an interaction. (Satisfy hunger.)
   B. Secondary expectations are expectations based on our previous experiences that are enhancements to our primary expectations. (Good service or courteous treatment.)
   C. Expectations are always changing.

VI. Scope of influence:
   A. Scope of Influence is our ability to influence others based on our perceptions or experiences.
   B. Every person’s “scope” is different.
   C. The average number of people influenced by our opinions is 7-15.
   D. Studies show that it costs about five times as much to attract new customers as to keep existing customers.
E. Facebook has greatly increased an individual’s scope of influence.
F. Happy customers can attract new customers at virtually no cost to us.

VII. Reputation Management:
A. Reputation management is the process of identifying how a company is perceived and establishes an action plan to correct, maintain, or enhance their reputation.
B. Customers may be attracted to a company because of its reputation than any other single factor.
C. Reputation management moves away from how a company would like to be perceived and identifies and responds to how they are really perceived.
D. By effectively managing its reputation, a company can maintain an informed and realistic understanding of how customers and the community perceive them.

VIII. Techniques for exceeding customers’ expectations:
A. Become familiar with your customers.
B. Ask your customers what their expectations are.
C. Tell your customers what they can expect.
D. Live up to their expectations.
E. Maintain consistency.
F. Communicate with customers using the method they want to use.

IX. Keys to credibility:
A. As we interact with others, we must strive to be believable.
B. Credibility is made up of the combination of our current knowledge, reputation, and professionalism.
C. Credibility encourages trust.
D. Tips for cultivating credibility:
   1. Practice consistency.
   2. Keep your word.
   3. Develop your expertise.
   4. Become a teammate with your co-workers.
   5. Treat all of your customers and co-workers with the same high level of respect.
   6. Remember: credibility is harder to regain than it is to keep.

X. The importance of values:
A. Corporate values and employee values must be joined for excellent customer service to occur.
B. Values are a combination of our beliefs, perceptions, and ideas as they relate to an appropriate response to a situation.
C. Employees must recognize their own values and beliefs and attempt to identify organizations that have similar priorities.

XI. Ethics in customer service:
A. Ethics are a set of principles that govern the conduct of an individual or group.
B. There are really no shortcuts when it comes to telling the truth and determining an appropriate course of action.
C. Individuals must face the consequences of the decision’s they make.
D. Ethics checklist:
   1. Is it legal?
2. Is it fair?
3. How do I feel about it?
4. Would the court of public opinion find my behavior incorrect?
5. Am I fearful of what those who I trust would say about my actions?

XII. The current status of customer service:
   A. Unfortunately, many people are talking about the importance of customer service, but they are doing little to improve it.
   B. Causes for the current status:
      1. It is difficult to measure the financial benefits of customer service.
      2. Customers have high expectations of what they hope to gain from those with whom they do business.
      3. Technology allows faster responses, but the use of technology requires additional training.
      4. Customer service is an opportunity no organization can ignore.

XIII. New trends in customer service:
   A. Accessibility for the customer.
   B. Immediacy of response.
   C. Feedback from customer to customer service provider.
   D. Outsourcing of all or part of customer service functions.
   E. Increasing use technology to provide all levels of service.
   F. Non-traditional approaches to customer service.

OPPORTUNITIES FOR CRITICAL THINKING - ANSWERS

1. Why is credibility important to convey to your customer?
   Customer service providers must convey credibility to their customers so that they are believable and are seen as being trustworthy.

2. Explain the six techniques for exceeding customers’ expectations.
   The six techniques for exceeding customers’ expectations are:
   1. Become familiar with your customers.
   2. Ask your customers what their expectations are.
   3. Tell your customers what they can expect.
   4. Live up to their expectations.
   5. Maintain consistency.
   6. Communicate with customers using the method they want to use.

3. Why are so many people talking about customer service and yet doing so little to improve its quality?
   Customer service is easy to talk about, but beginning the process of providing it requires convincing those in control of the financial benefits, understanding customer expectations, and taking the initiative to begin the process.

4. Why should we consider our customers’ perceptions?
   Perceptions are the way we see something, based on our experience. Customers’ perceptions influence the quality of their current experience. A customer may enter into
an experience expecting a positive or negative result.

5. What are some common barriers to customer service?
   Common barriers to customer service are: laziness, poor communication skills, poor time management, attitude, moodiness, lack of adequate training, inability to handle stress, and insufficient authority.

6. How relevant is the reality that some customers may perceive your service inaccurately?
   Extremely relevant. Customers’ perceptions—correct or incorrect—impact how they approach their service experience.

7. How do primary expectations differ from secondary ones?
   Primary expectations are a customer’s most basic requirements of an interaction. Secondary expectations are those expectations that are enhancements to our primary expectations.

8. Describe an example of a situation in which scope of influence hurt or helped your business.
   Describe your own example.

9. What are some techniques for cultivating credibility?
   Techniques for cultivating credibility include:
   1. Practice consistency.
   2. Keep your word.
   3. Develop your expertise.
   4. Become a teammate with your coworkers.
   5. Show your dedication to customers.
   6. Treat all your customers and coworkers with the same high level of respect.
   7. Apologize if you are wrong.
   8. Remember that credibility is harder to regain than it is to keep.

10. What role do values play in an individual’s approach to providing customer service?
    Values are a combination of our beliefs, perceptions, and ideas as they relate to an appropriate response to a situation. Values impact how we relate to others. Customer service providers must be aware of their own value system as they serve others.

CHAPTER 2 SELF-TEST

1. Credibility is made up of the combination of our current knowledge, __________, and professionalism.
   a. who we know
   b. reputation
   c. physical appearance
   d. ideas

2. For excellent customer service to exist, the successful joining of corporate values and employee values must occur. Values are:
   a. legal guidelines as to what is right and wrong.
b. our interpretation of company policies.
c. what our parents taught us to believe.
d. a combination of beliefs, perceptions, and ideas as to the appropriate response to a situation.

3. Jacob was initially ignored and treated rudely by the sales person as he shopped for his first car. He returned to his home discouraged about the process of purchasing a vehicle. As he shared his feelings about the experience with his friend, he was expressing his___________.
a. perception
b. expectation
c. philosophy
d. credibility

4. Scope of influence is:
a. the basis of self motivation.
b. our ability to influence others.
c. anything we do for the customer.
d. a problem solving strategy.

5. Which of the following is not a barrier to excellent customer service?
a. laziness.
b. poor time management.
c. insufficient authority.
d. ability to handle stress.

ANSWERS TO CHAPTER 2 SELF-TEST

1. b
2. d
3. a
4. b
5. d